

CORPORATION

DATE: WEDNESDAY 9 DECEMBER 2015

PLACE: 4th FLOOR EXECUTIVE SUITE

TIME: 5.00pm.

PRESENT: Godfrey Allen (Chair), Sue Rimmer (Principal), Daud Ilyas, Cllr Brenda Fraser, Karen Fullman, Lucy Ashman, Michael Helene, Cllr Stuart Thom, Kazi Hossain, Yvette Stanley, Katie Driver.

IN ATTENDANCE Ralph Moran (Director of Finance)
Jason Pemberton-Billing (Vice Principal Curriculum & Quality)
Bev Giarraputo (Vice Principal Curriculum and Learner Services)
Natalie Watt (Clerk to the Corporation)

1. **Apologies for Absence**
Cllr Jim Maddan, Jonathan Hick, Andrew Brown, Ross Maloney.

2. **Declarations of Interest**
None

PART ONE CONFIDENTIAL

3. **Confidential Minutes of the meeting held on Tuesday 13th October 2015.** Approved and Signed by the Chair.

4. **Strategic Review Process** – Presented by the VP Planning & Resources

- Subject to a separate confidential minute

5. **Capital Projects** – Presented by Julian Grindell, Fusion.

- Subject to a separate confidential minute

PART TWO

12. **Teaching, Learning & Assessment** – Presented by the VP Curriculum & Quality.
Items discussed:

- The VP Curriculum & Quality summarised the report and noted that

the success rates for the last academic year had been summarised in the Self-Assessment Report.

- Members noted and discussed the key points raised on the front sheet, in particular the meeting our targets (MOT) changes.
- Members noted that lesson observations remained ungraded. Discussion followed on the re-shaping of the Teaching and Learning Coaches and Members explored what impact the new structure was having. The VP Curriculum and Quality confirmed that the smaller team was finding it easier to provide consistency across the College.
- Members noted that maths and English were not included in the success rates tables. However, Members, were informed that the functional skills were achieving within ½ % of national benchmarks.
- Members discussed peer support and noted the CPD report attached. Members noted that the Hospitality area was particularly successful in terms of successful delivery of peer support and mutual learning.

Report RECEIVED.

15i Self-Assessment Report – Presented by the VP Curriculum & Quality

Items discussed:

- Members noted the rigorous validation process undertaken. Members also noted that the Chair of Quality and Performance had scrutinised the draft report and the Chair of the Corporation had participated in the validation panel.
- Members were informed that an ex HMI Inspector had also undertaken part in the validation process to provide an objective assessment of the grades.
- Members discussed the views of the VP Curriculum and Quality on the process and progress made.
- The VP confirmed that he felt the process had been enhanced with more evidence to support the conclusions reached.
- Members were informed that the Q&P Committee had provided challenged and requested more evidence and more forward looking information to support the year.
- The Chair of the Committee confirmed that suggestions and proposals to both the form and content had been provided.
- Members were informed that key headlines had been included in the report.
- The Committee was also keen to emphasise that the report should be as widely distributed as possible and disseminated to all staff.

Self-Assessment Report APPROVED.

6. Minutes of the meeting held on Tuesday 13th October 2015 were approved and signed by the Chair.

7. Matters Arising from the Minutes

- **Terms of Reference** – The Clerk confirmed that these were still a work in progress and Committees were actively engaged in the process. Final drafts would be brought to the Search and Governance Committee in due course. Noted.
- **Code of Good Governance** – The Clerk confirmed that a draft action plan had been circulated to the Senior Leadership Team for comment and updating. An update would be provided to Search and Governance Committee at their next meeting. Noted.

- **Independent Advice** – The Director of Finance confirmed that as the loans were not yet ready to be paid or re-negotiated that no external independent advice had been sought. This item would be carried forward to the next F&R meeting for update. Noted.
- **Learner Visits** – The Clerk confirmed that dates had been circulated and Members were encouraged to take up the opportunity. Noted.
- **Pro Monitor Session** – It was noted that this would need to be delivered on site at the May 2016 event. VO Curriculum & Quality to take this forward.
- **Safeguarding Policy**- Noted that this had been updated and published.
- **Comparative Data for CPI's** – Noted that where possible this had been included.
- **Destinations Data** – Noted that this was still a WIP update to the next meeting.
- **Alumni** – Following discussion it was agreed that the VP Planning and Funding would undertake discussions with LA. The Clerk noted that after 18th December this would need to be via email.
- **Student Survey Feedback** – Noted that these had been reported to the Quality and Performance Committee.

NB: Items 12 and 15i taken at the start of the Agenda to facilitate attendance.

8. Chairs Action

- AoC London Regional Forum chaired and attended
- AoC Governors Council attended
- Regularity Audit signed on behalf of the Corporation
- Annex C Joint Audit Code Of Practice signed on behalf of the Corporation
- GLA agreement signed on behalf of the Corporation
- Tender process approved for Due Diligence – Legal and Financial

9. Health & Safety

i)Annual Report 2014/15– Presented by the Director of Finance.

Items discussed:

- Members noted that a permanent appointment to the post of Health and Safety Manager had now been made.
- Members queried the increased costs for the provision of the service and were informed that these were the result of the interim appointment. Noted.
- Members noted that first aid allowances paid had been increased to attract more interest for the roles. Noted.
- Members discussed the Health and Safety Executive and Environment issues raised and that the College had taken specialist external advice where needed.
- Members noted the comparative data provided on page 9 of the report.
- Members were informed that there had been some inconsistent reporting due which had now been resolved following the permanent appointment.
- Discussion followed on the claims referred to in the report. Members

discussed the data provided on page 4.

Report RECEIVED.

ii) Health and Safety and Environmental Policy – Presented by the Director of Finance.

Items discussed:

- The Director of Finance confirmed that only minor changes had been proposed and that the Policy had been to both the Senior Leadership Team and the Health, Safety & Environment Committee prior to recommendation for approval.

Policy APPROVED.

10. Governance – Presented by the Clerk to the Corporation

i) Constitution & Membership

Items discussed:

- Members noted the proposed hold on the recent vacancy pending discussion on the strategic alliance and completion of a skills audit.
- Members noted the concern expressed by the Clerk regarding the lack of Student Governor appointments.
- Members were advised that this would be resolved as soon as possible in the New Year.

Report RECEIVED and recommendation APPROVED.

ii) Governors Development and Self-Assessment Report (SAR) for 2014/15.

Items discussed:

- Members noted that each Committee had received a summary of its self- assessment for consideration.
- Members were informed that the next Search & Governance Committee would be considering the narrative supporting the self-assessments in more details.
- Members confirmed the proposed grade of GOOD.
- Members also noted the update on delivery of the quality improvement plan for 2014/15.

Report RECEIVED and Grade APPROVED.

11. Principal & Chief Executive's Termly Report – Presented by the Principal

Items discussed:

- Members noted the update in paragraph 2 on the Teachers Union strike.
- Members noted that the Principal had attended the skills show and that the College had been well represented.
- Members discussed the update on apprenticeships and the Principal confirm that as well as potentially benefitting from this as a substantial provider of apprenticeship training, as a large employer the College would also be required to pay the levy. Noted.
- Members discussed the substantial involvement with the local Chamber of Commerce in Merton.
- The Principal confirmed that the College also engaged with the Wandsworth Chamber of commerce but acknowledged that this could be strengthened further.
- The Principal updated Members on the marketing event held to promote creative industries, as detailed at paragraph 37.

- Members noted the brief update on Strategic Area Reviews. The Principal informed Members that both herself and the Chair would be involved in these and would update as necessary regarding the role of Governors and Boards. Noted.
- Members discussed the spotlight appendix on Aurora.

Report RECEIVED.

13. **Audit Committee**

i) Post Audit Management Letter – Presented by Katherine Patel, Buzzacotts.

Item discussed:

- Members were informed that the Audit Committee had requested direct reporting of the Post Audit Management Letter due to the complexities of the Tower Block Sale and the impact on the Financial status of the College.
- Members were assured that the College would receive a clean and unqualified Audit Opinion.
- Members were also advised that the Auditors would need sight of the final SFA statement which was still outstanding at the time of the Corporation meeting.
- It was agreed that if this affected their judgements a communication to all Members would be provided.
- Members were referred to page 3 where it was confirmed that there were no significant weaknesses.
- Discussion followed about page 5 and the going concern basis and related assumptions that had been made.
- Discussion followed on the key impact of the sale of the Tower Block. Members were informed that Buzzacotts had placed reliance on the Eversheds legal advice and were referred to page 7 of the Management Letter which detailed the advice received.
- Noted that as there had been no breach of Covenant the accounts were unqualified. Discussion followed on FRS17 generally.
- Members attention as drawn to Appendix 1 page 14 and the key financial ratios.
- Members were also referred page 15 and the financial health and page 9 of the appendices and the level of bad debt, which was considered to be adequate.
- Members were informed that page 6 and page 2 would be updated prior to submission as per the verbal report.

Post Audit Management Letter RECEIVED.

ii) Audit Committee Annual Report 2014/15 – Presented by the Chair of the Audit Committee.

Items discussed:

- The Chair of the Audit Committee presented the report.
- Members attention was drawn to the comments of the Committee at the end of the report and the opinions expressed.
- Members discussed the report and noted where the information had been subject to the outcome of other related discussions.
- The Director of Finance confirmed that the Internal Auditors undertook their work based on an annual plan that evolved from a risk based approach which was approved by the Audit Committee.

- The Chair of the Audit Committee confirmed that the Committee had taken a substantial role in shaping the format of the report.
- The Chair of the Corporation thanked the Audit Committee for their work on behalf of the Corporation.

Audit Committee Annual Report RECEIVED.

iii) Contract Extension – Presented by the Director of Finance.

Items discussed:

- The Director of Finance referred Members to the front sheet and situation summary.
- Members noted that this was considered an exceptional circumstance.
- It was agreed that should the merger NOT proceed that the contract would again revert to going out to tender the following year.

Contract Extension for the Appointment of the Financial Statements Auditors APPROVED.

iv) Risk Management – Presented by the Director of Finance

Items discussed:

- The Director of Finance confirmed that both the Audit Committee and the Finance and Resources Committee had requested that the risk associated with Merger, both should it be go ahead or not, be reflected in the Risk Management Plan.
- The Director of Finance confirmed that the Risk Management Group meet on a termly basis and that an updated plan would come to the next round of meetings.

Report RECEIVED.

14. Finance & Resources Committee

i) Financial Out-Turn and Final Accounts 2014/15 – Presented by the Director of Finance.

Items discussed:

- Members noted the key points identified on the front sheet including that the financial outturn was an operating deficit of £4,548k. Members were assured that the 19% deterioration in funding had been adsorbed within the accounts.
- Members challenged the Director of Finance to identify areas where the budget had failed to deliver as promised.
- The Director of Finance confirmed that although expenditure had been robustly controlled wherever possible it had not been sufficient to make up where income targets had been missed.
- Members noted that the SFA assessment of Financial Health was 'Satisfactory'.

Financial Out-Turn and Final Accounts and Annual Report for 2014-15 were APPROVED and signed by the Chair and Principal.

ii) Management Accounts to 31st October 2014 – Presented by the Director of Finance.

Items discussed:

- Members were informed that the current forecast showed an underlying deficit of £902k and an adverse variance of £1,043k against budget.
- Members queried the reasons and were informed that at this stage of

the year this was largely predicted based on expected projected shortfall of income of £822k.

- Members were assured that despite this a prudent view had been taken on income.
- Members attention was drawn to paragraph 2 and the actions identified to improve the forecast position. These actions were discussed in some detail.
- Members were also referred to the F&R minutes where detailed discussions had also taken place.
- Members were referred to paragraph 4 and noted the this showed an improving position.
- Discussion followed on the sale of the Tower Block and Members were informed that the College required an overdraft facility to be arranged with Barclays Bank.
- The Director of Finance verbally reported the terms of the facility. Following discussion it was agreed that the Chair would be delegated under Chairs action to sign the overdraft request with the Principal acting as the second signatory.
- Members queried the cost of the Overdraft which was confirmed as £6k.
- It was therefore agreed that the borrowing by the Borrower of up to the full amount of the Facility on the terms and conditions set out and as further negotiated by the Bank and the Borrower is in the interests of and for the benefit of the Borrower and is most likely to promote the success of the Borrower for the benefit of the members as a whole and that such terms and conditions as further negotiated by the Bank and the Borrower be and are approved and accepted.
- That the Borrower has considered whether it needs to obtain professional independent advice (legal, financial or otherwise), prior to resolving to enter into a Facility Agreement and (whether on the basis of such advice or otherwise) it has made its own independent decision to enter into the Facility Agreement and understands the terms, conditions and risks involved.
- That Sue Rimmer, Principal and Ralph Moran, Director of Finance are authorised to negotiate and finalise the Facility Agreement on behalf of the Borrower and to agree amended terms and conditions of the Facility Agreement.
- That Sue Rimmer, Principal and Ralph Moran, Director of Finance are authorised to sign the Facility Agreement as further negotiated by the Bank and the Borrower on behalf of the Borrower to indicate acceptance of the terms and conditions.
- That the Bank is authorised to act in all matters concerning the Facility upon instruction from the Borrower signed in accordance with the Bank's mandate for any of the accounts of the Borrower held with the Bank current from time to time.
- Members expressed concern that should the Tower Block fail to proceed to sale that the College would be short of fund again in January.
- Members queried what plan B was in place to prevent this?
- The Director of Finance informed Members that he had been advised by Barclays that they would not allow an overdraft than exceeded essential need until that time was here and therefore he could not

extend the facility beyond that which was shown in the cash flow forecasts. Noted.

- Members were assured that best efforts were focussed on the sale of the Tower Block would be resolved by then.
- Members were informed that the F&R Committee had requested monthly management accounts and also an additional meeting to ensure that there was robust oversight of the financial accounts from a Governors perspective. Noted.

Management Accounts RECEIVED, Overdraft facility request APPROVED.

v)Financial Regulations – Presented by the Director of Finance.

Items discussed:

- The Director of Finance confirmed that only minor changes were proposed at this time.
- The Clerk confirmed that a full copy was provided to the Finance & Resources Committee prior to their recommendation.
- The Director of Finance confirmed that the Financial Regulations were published on blackboard.

Financial Regulations APPROVED.

15. Quality & Performance Committee

ii)Curriculum Update for 2014/15 – Presented by the Vice Principal Planning & Resources

Items discussed:

- Members were informed that the plan had been considered at Quality and Performance and was presented to provide an oversight to the Board of the Curriculum delivery.
- Members noted the continuing wide breadth of provision being delivered against a challenging financial position.
- Members stated that the analysis of labour markets was helpful.
- Members noted the areas of growth and queried how strong the college Curriculum delivery was in the area of growth?
- Members discussed delivery in IT and Business administration and expressed an interest in receiving further information the following term on detailed delivery in these areas.
- Members noted that there was potentially more growth in apprenticeships following the introduction of the levy.
- The Chair raised the issue of looking at the future and the need for curriculum mapping across Colleges.
- Members discussed enrolment and recruitment for the following year.
- Members requested more information as soon as possible about where the College would be post-merger. It was confirmed that as discussions were still in the early stages that direct communication with students had not yet taken place.
- Members emphasised the need for synchronisation of key messages between the college going forward. Noted.
- Members were informed that a Special Corporation meeting was likely to take place on Thursday 11th February at both Colleges with a view to taking the next step in the decision making process. Noted.

Report RECEIVED.

iii) Human Resources & Workforce Development Annual Report –

Presented by the Principal.

Items discussed:

- Members commented on the large amount of activity but requested more information on the impact for the following term. The Principal agreed to review this with the Director of HR and workforce Development.
- The Principal also informed Members that a staff survey would be coming to the next meeting of the Quality and Performance Committee. Noted.
- Members noted the number of appraisals that had taken place at paragraph 8 were lower than the previous year.
- The Principal informed Members that a number of staffing issues and interim management had impacted on the figures for this period. Members were informed that this had now been resolved with permanent appointments.
- Members discussed the long term absences identified on page 7. The Principal assured Members that more work was being undertaken on short term illnesses which needed to be separated out.
- It was noted that an analysis of short terms sickness would be provided to the Quality and Performance Committee the following term. Agreed.

Principal
& Director of
HR

Principal &
Director of HR

Report RECEIVED.

iv) Safeguarding Children & Vulnerable Adults Annual Report 2014/15 and Termly Update 2015/16 – Presented by the VP Curriculum & Learner Services

Items discussed:

- Members received the report and noted that Gail Walmsley would be reporting throughout the year on the categories identified.
- Members noted level of data provided and the high level of staff training that accompanied changes to legislation and guidance.
- Members were informed that specialist FGM training as also being provided to key staff the following week.
- The Clerk confirmed that all Governors had undertaken specific PREVENT training. Members noted that further training was being provided to seek to ensure that all visiting teaching staff had been briefed.

Report RECEIVED.

16. College Performance Indicators for 2015/16 – Presented by the Vice Principal Planning & Resources

Items discussed:

- Members noted that the College was behind target on Income. The VP Planning and Resources confirmed that more work was on-going as per previous discussion to seek to recover this position in year.
- Discussion followed on the introduction of the late desk and other strategies that were employed across the College.
- Members discussed priority 2 and suggested that industry related language could be stronger. Members requested that a précis of the full delivery plan would be helpful with actions identified under each of

VP Planning &

the priorities which could highlight some of the work with employers and industry. Agreed.

- Members requested that Hospitality and Catering be more explicitly referenced in reports to Governors where it was believed that this reflected best practice. Noted.
- Members also request information on new products to the markets for example English language being offered with professional courses attached.
- The Principal informed Members that the VP Marketing and Employer and Community Engagement was also undertaking an international trip in the New Year to seek out a new markets for delivery of new products. It was agreed that an update would be provided at the next termly meeting.

Report RECEIVED.

Resources

VP Planning &
Resources

17. Minutes of Meetings

- i) **Audit Committee 11/11/2015 – RECEIVED**
- ii) **Health, Safety & Environment Committee – RECEIVED**
- iii) **Joint Steering Group CONFIDENTIAL –RECEIVED**
- iv) **Finance & Resources Committee - RECEIVED**
- v) **Quality & Performance Committee – RECEIVED.**

NB. It was noted that the minutes of the last Search & Governance meeting had come to the October Corporation meeting.

Notes that the Remuneration Committee had been cancelled for this term with the permission of the Chair.

18. Any Other Business

None

19. Date of the Next Corporation Meeting

- Tuesday 15th December – Christmas Lunch
- Thursday 11th February and Friday 12th February 2016 Development Away Day
- Wednesday 23 March 2016 – Corporation Meeting

Signed By: _____

Date: _____